

Comprehensive Substance Abuse Prevention Strategy State Incentive Grant

GENERAL TERMS AND CONDITIONS

These terms and conditions, when applicable, are to be incorporated by reference and made a part of, but not necessarily limited to, the following documents: grant project agreements, contracts, subcontracts, interagency agreements, invitations for bid, and requests for proposal for goods and services for which Comprehensive Substance Abuse Prevention Strategy State Incentive Grant (SIG) funding reimbursement is requested through the California Department of Alcohol and Drug Programs.

I Grant Project Agreement Exhibits

- A. This Agreement between the Department of Alcohol and Drug Programs (State) and the county named in the Notice of Grant Award attached hereto (Grantee) consists of the Notice of Grant Award; Project Budget, Assurances and Certifications, General Terms and Conditions, and the Request for Application and the grantee's response, which is incorporated by reference. In the event of any conflict between provisions in the various documents, the Terms and Conditions will control over incorporated documents, e.g., the request for application or the application.
- B. This grant is governed by Section 516 of the Public Health Services Act, as amended (42 USC § 290bb-22), implementing regulations, and the most recent information available from the United States Department of Health and Human Services (HHS). The State reserves the right to amend the terms and conditions of this grant program based on future clarification by the HHS.
- C. Each Grantee will follow the program goals and objectives, tasks and timeframes as agreed upon through its application and incorporated by reference.
- D. This Agreement is of no force or effect until signed by both parties. Grantee may not commence performance until such approval has been obtained.

II Grant Term and Authority

- A. The term of this Grant Project Agreement is shown on page one of the Notice of Grant Award. However, this agreement will be valid and enforceable for subsequent years past the first year of the agreement only if sufficient funds are made available to the State by the United States Government for the purposes of the program, and the grantee satisfactorily complies with all requirements of the agreement.
- B. The source of funds is Section 516 of the Public Health Services Act, as amended (42 USC § 290bb-22). The federal funds identified in this project agreement are time limited. In order for the Grantee to receive payment from the federal funds identified in this Grant Project Agreement, the Grantee must expend funds in the timeframes identified in the project budget estimate and submit claims and reports within the timeframes specified in this Grant Project Agreement (see VI and VII). Failure to submit claims and reports within the specified timeframes will result in such claims not being paid if the time for which such funds are available has expired.
- C. The agreement will be subject to any additional restrictions, limitations, or conditions enacted by Congress or conditions that may affect the provision, terms, or funding of

the agreement in any manner. If funds are not appropriated for this program, the agreement will be terminated and have no further force and effect.

- D. It is mutually understood between the parties that this agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if the agreement were executed after that determination was made.
- E. The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, the State has the option to void the agreement under the 30-day cancellation clause or to amend the agreement to reflect any reduction in funds.

III Use of Funds

- A. The grantee organization is legally and financially responsible for all aspects of this grant, including funds provided to subrecipients.
- B. Grantee agrees that funds provided from the grant cannot be used for distributing sterile needles or syringes for the hypodermic injection of any illegal drug.
- C. Grant funds cannot be used to supplant current funding of existing activities.
- D. By law, none of the funds awarded can be used to pay the salary of an individual at a rate in excess of the federal Executive Level 1, which is \$171,900.
- E. A Notice in response to the President's Welfare-to-Work Initiative was published in the *Federal Register* on May 16, 1997. This initiative is designed to facilitate and encourage grantees and their subrecipients to hire welfare recipients and to provide additional needed training and/or mentoring as needed. The text of this notice is available electronically on the Office of Management and Budget (OMB) home page at www.whitehouse.ov/wh/eop/omb.
- F. The Department of Health and Human Services (DHHS) Appropriations Act requires that to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American made.
- G. Funds may not be used for religious worship, instruction, proselytization, or for equipment and supplies to be used for any of these activities.
- H. Grantee and subrecipients must maintain records that adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. The Grantee, and all its subrecipients, should expect that the Substance Abuse and Mental Health Services Administration (SAMHSA), or its designee, may conduct a financial compliance audit and on-site program review annually on grants with significant amounts of federal funding.
- I. Grantee, subrecipients or contractors who apply or bid for an award of \$100,000 or more shall file the required anti-lobbying certification. Each tier certifies to the tier above it that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of an agency or any officer, employee or member of Congress in connection with the awarding, modifying, renewing or extending of any federal contract, grant, loan,

cooperative agreement, or any other award covered by 31 USC 1352. Each tier shall also disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier.

- K. Grantee is responsible for assuring that the use of funds from this grant will comply with Section 516 of the Public Health Services Act, as amended (42 USC § 290bb-22) the PHS Grants Policy Statement (rev. April 1, 1994), available on-line at <http://www.hhs.gov/grantsnet/index.html>, and 45 CFR Part 74 or 92, as applicable. Further, the funds will only be used for allowable costs under the appropriate Office of Management and Budget (OMB) Circular, "General Principles for Determining Allowable Costs" (OMB Circular A-87, A-122, or A-21).
- L. Per 45 CFR 92.34 and 45 CFR 74.36 and the PHS Grants Policy Statement, any copyrighted or copyrightable works developed under this grant shall be subject to a royalty free, nonexclusive and irrevocable license to the government to reproduce, publish, or otherwise use them and to authorize others to do so for federal government purposes. Income earned from any copyrightable work developed under this grant must be used as program income.
- M. No Department of Health and Human Services (DHHS) funds may be paid as profit (fees) per 45 CFR parts 74, 81 and 92.22(2).
- N. No part of any appropriation contained in the Appropriations Action Section 503 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any state legislature, except in presentation to the Congress or any state legislature itself.

No part of any appropriation contained in this act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any state legislature.

IV Program Implementation

Grantee must implement the program or be substantively involved in the grant program. Substantive involvement means "the primary project activities for which grant support is provided and/or a significant portion of the activities to be conducted under the grant." In no instance may the Grantee act solely as a pass-through entity for State Incentive Grant funding.

V Grant Revision

- A. Both Grantee and the State must agree in order to revise the agreement. Grantee shall contact the PSD County Analyst before making any changes to the budget, goals, objectives, or design of the project plan to determine if changes 1) can be made without written approval of the State, 2) require written approval of the State, or 3) require a formal grant revision. Changes requiring written approval will not be valid unless such approval is given. Changes requiring a formal grant revision shall not be valid unless made in writing, signed by the parties, and approved as required. Project modifications made prior to obtaining written approval or revision as required are subject to denial from the PSD County Analyst and may result in denial of payment for all charges related to the modification(s) made.

- B. The proposed revisions that affect the program budget shall include a revised Budget Estimate and Budget Justification, and a statement of the reason and basis for the proposed change.
- C. In the event of changes in law that affect provisions of this Grant, the parties agree to revise the affected provisions to conform to the changes in law retroactive to the effective date of such changes in law. The parties further agree that the terms of this agreement are severable and in the event of changes in law as described above, the unaffected provisions and obligations of this grant will remain in full force and effect.
- D. This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written revision. If the State approves the assignment, the assignee and the State must enter into a formal written revision of the Agreement.

VI Reimbursement Claims

- A. Grantees will be reimbursed in arrears for actual allowable costs incurred under this grant program.
- B. Grantees must seek reimbursement from the State by submitting a complete project claim, which is incorporated by this reference. The claim shall include all grant-related costs for the billing period, and be submitted no more and no less frequently than once each quarter of the project year. The progress report (discussed in Section VII) must be submitted with the claim.
- C. Claims shall be submitted to the PSD County Analyst, SIG Grant Program, California Department of Alcohol and Drug Programs, Prevention Services Division, 1700 K Street, Sacramento, CA 95814.
- D. Claims will be submitted by the PSD County Analyst to the Alcohol and Drug Programs Accounting Office for payment only after the Analyst has reviewed and approved the quarterly/annual progress report for the billing period covered by the claim.
- E. The State may withhold or disallow grant payments, reduce or terminate grant funds, and/or deny future grant funding anytime a Grantee fails to comply with any term or condition of the grant agreement or program guidelines. Failure to comply may include, but is not limited to, the failure to submit acceptable and timely reimbursement claims, quarterly, or annual comprehensive reports.

VII Reporting Requirements

Grantees are required to submit quarterly progress reports and claims for each calendar quarter, or portion thereof, during which the grant is in effect. Reports and claims are to be received by the PSD County Analyst no later than 30 days after the close of each calendar quarter (January 31, April 30, July 31, and October 31).

- A. Quarterly reports must include the following: a comparison of the actual accomplishments to the goals and objectives established for the period; the reasons for any variance if objectives were not met and the plans to address the variance; a fiscal report of expended grant funds; and additional pertinent information including, when appropriate, analysis and explanation of costing problems.

- B. Reports must include participant rosters containing original signatures of attendees from any workshop, training and/or conference conducted as a result of this grant.
- C. Grantees are required to submit a comprehensive report at the end of each 12-month project year. Comprehensive reports are due 30 days after the end of the project year.

VIII Subcontracts/Subgrants

Grantee may subgrant (with authority to do so) or contract for elements of program implementation. Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subgrantees/subcontractors, and no subgrant/subcontract shall relieve the Grantee of its responsibilities and obligations hereunder. The Grantee agrees to pass down to contractors, subgrantees/subcontractors all applicable federal and state requirements. The Grantee agrees to be as fully responsible to the State for the acts and omissions of its contractors, subgrantees/subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Grantee. The Grantee's obligation to pay its contractors, subgrantees/subcontractors is an independent obligation from the State's obligation to make payments to the Grantee. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any contractor, subgrantee, or subcontractor.

IX Audits

- A. Grantee, contractors, subgrantees, and subcontractors must maintain records that adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant, subgrant, or subcontract awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.
- B. Grantee shall comply, and shall require that contractors, subgrantees, and subcontractors comply, with all terms and conditions of this agreement and all pertinent state and federal statutes and regulations. The State, the Comptroller General of the United States, or other authorized federal agencies and representatives, will be allowed to evaluate the quality, appropriateness, and timeliness of services performed under this grant. Any and all books, records, and facilities shall be maintained by the Grantee, subgrantees, and subcontractors for a minimum of three (3) years after the day Grantee submits its final expenditure report/claim. These records may be inspected and copied at any time during normal business hours. Unannounced visits may be made at the discretion of the State. Employees who might reasonably have information related to such records may be interviewed. Further, Grantee agrees to include a similar right of the State and authorized federal agencies and representatives, to audit records and interview staff in any contract, subgrant or subcontract related to performance of this agreement.
- C. By accepting these grant funds, Grantee is agreeing to participate in audits as requested by the State, or authorized federal agencies and representatives, and as required by OMB Circular A-133. Audits may be requested for the purpose of programmatic and/or fiscal review.

X Compliance Review

- A. The State will monitor Grantee and programs for compliance with the requirements of the grant agreement and will review performance reports. Each grant will be monitored

to ensure quality programs, coordination of efforts, and compliance with the statute and regulations. If programs are not meeting the requirements of the grant, a plan for corrective action will be required and the State may provide technical assistance to achieve compliance or reduce or terminate the funding under the agreement.

- B. Site visits to the grantee and/or contractor, subgrantee or subcontractor may be as frequent as deemed necessary by the State, but shall be at least once during the grant period. Site visits may be requested for the purpose of programmatic and/or fiscal review. Appointments will be made in advance for site visits.

XI Disadvantaged business enterprise/small business affirmative steps

Grantee will take all necessary affirmative steps to assure that disadvantaged business enterprises (DBE), as defined in 49 Code of Federal Regulations 26.5, are used as vendors when possible. Affirmative steps shall include:

- Placing qualified DBEs and small businesses on solicitation lists.
- Assuring that DBEs and small businesses are solicited whenever they are potential sources.
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small businesses and DBEs.
- Establishing delivery schedules, where the requirement permits, which encourage the participation by DBEs and small businesses.
- Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.
- Requiring the prime recipient, if subcontracts are to be let, to take the affirmative steps listed above.

XII Child Support Compliance Act

For any Agreement in excess of \$100,000, the Grantee, contractor, and subgrantees/subcontractors must acknowledge that they:

- 1) Recognize the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the California Family Code; and
- 2) To the best of their knowledge, are fully complying with the earnings assignment orders of all employees and are providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

XIII Confidentiality of Information

- A. Grantee and its subgrantees or contractors that provide services covered by this Agreement shall comply with all state and federal statutes and regulations regarding confidentiality, including, but not limited to, the confidentiality of information requirements in 42 USC Section 290 dd-z; Part 2, Title 42, CFR; Welfare and Institutions Code (hereinafter referred to W&IC), Section 14100.2; Section 11977 of the HSC; and Title 22, California Code of Regulations (hereinafter referred to as Title 22), Section 51009.

- B. Grantee and its subgrantees, contractors, and subcontractors shall ensure that no list of persons receiving services under this Agreement is published, disclosed, or used for any purpose except for the direct administration of this program or other uses authorized by law that are not in conflict with requirements for confidentiality contained in 42 USC Section 290 dd-z; Title 42, CFR, Part 2; W&IC, Section 14100.2; HSC, Section 11977; and Title 22, Section 51009.
- C. Grantee shall monitor compliance with the above provisions and shall ensure they are included in all contracts, subgrants, or subcontracts.

XIV Nondiscrimination in Services

- A. For the purpose of this Agreement, discriminations on the basis of race, color, creed, national origin, sex, age, or physical or mental disability include, but are not limited to, the following: denying an otherwise eligible individual any service or providing a benefit which is different, or is provided in a different manner or at a different time, from that provided to others under this contract; subjecting any individual to segregation or separate treatment in any matter related to the receipt of any service; restricting an otherwise eligible individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and/or treating any individual differently from others in determining whether such individual satisfied any admission, enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or benefit.
- B. Grantee shall, on a cycle of at least every three years, assess, monitor, and document each contractor's or subgrantee's/subcontractor's compliance with the Rehabilitation Act of 1973 and Americans with Disabilities Act of 1990 to ensure that recipients/beneficiaries and intended recipients/beneficiaries of services are provided services without regard to physical or mental disability. Grantee shall also monitor to ensure that beneficiaries and intended beneficiaries of service are provided services without regard to race, color, creed, national origin, sex, or age.
- C. Noncompliance shall constitute grounds for the State to withhold payments under this agreement or terminate all, or any type, of funding provided hereunder.

XV Conflict of Interest

Grantee agrees it is aware of the following provisions regarding current or former state employees. If grantee has any questions on the status of any person rendering services or involved with the agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (California Public Contracts Code Section 10410)

- 1) No officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity, or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (California Public Contracts Code Section 10411)

- 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving state service.

If Grantee violates any provisions of above paragraphs, such action by Grantee, contractor, or subgrantee/subcontractor shall render this agreement void. (California Public Contracts Code Section 10420)

Members of boards or commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. [California Public Contracts Code Section 10430(e)]

XVI Resolution

Upon request, Grantee must provide the State with a copy of the resolution, order, motion, or ordinance of the local governing body that by law has authority to enter into an Agreement, authorizing execution of the Agreement.

XVII No Unlawful Use, or Unlawful Use Messages, Regarding Drugs and/or Alcohol

Grantee agrees that information produced through these funds, and which pertains to drug- and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug- or alcohol-related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (Health and Safety Code Section 11999). By signing this Agreement, Grantee agrees that it and its contractors and subgrantees/subcontractors will enforce these requirements.

XVIII Smoking Prohibition Requirements

Grantee shall comply, and require that its contractors and subgrantees/subcontractors comply, with Public Law 103-227, also known as the Pro-Children Act of 1994, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education, or library services to children under the age of 18 if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed.

XIX Hazardous Activities

Grantee shall have liability insurance sufficient to cover hazardous activities pursuant to Section 7.40 of the *State Contracting Manual* (Document 1S), incorporated by this reference. To the extent Grantee subgrants, contracts or subcontracts for the provision of transportation services, Grantee is liable to determine that the contractor or subgrantee/subcontractor has sufficient liability insurance to meet the requirements of Section 7.40 of the *State Contracting Manual*.

XX Disputes

If the Grantee believes that there is a dispute or grievance between the Grantee and the State arising out of or relating to this grant agreement, the Grantee shall first discuss and attempt to resolve the issue informally with the State's representative. If the issue cannot be resolved at this level, the Grantee shall follow the following procedures: If the issue cannot be resolved informally with the State's representative, the Grantee may submit, in writing, a grievance report together with any evidence to the California Department of Alcohol and Drug Programs, Prevention Services Division Deputy Director. The grievance report must state the issues in the dispute and the legal authority, or other basis for the Grantee's position and the remedy sought. Within ten (10) working days of receipt of the written grievance report from the Grantee, the Prevention Services Division Deputy Director shall make a determination on the problem, and shall respond in writing to the Grantee indicating the decisions and the reasons therefore. Should the Grantee disagree with the Division Deputy Director's decision, the Grantee may appeal to the next level as provided in the following paragraph.

The Grantee must submit a letter of appeal to the California Department of Alcohol and Drug Programs (ADP) Chief Deputy Director explaining why the Deputy Director's decision is unacceptable. The letter must include, as an attachment, copies of the Grantee's original grievance report, evidence originally submitted, and the response from ADP's representative. Grantee's letter of appeal must be submitted within ten (10) working days of the receipt of the Division Deputy Director's written decision. The Chief Deputy Director shall, within twenty (20) working days of receipt of the Grantee's letter of appeal, review the issues raised and shall render a written decision to the Grantee. The decision of the Chief Deputy Director shall be final.

XXI Indemnification

Grantee agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subgrantees/subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Grantee in the performance of this grant.

XXII Independent Contractor

Grantee, and the agents and employees of Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

XXIII Right to Terminate

- A. The State reserves the right to terminate this agreement subject to 30 days written notice to the Grantee.
- B. However, the State can terminate the agreement immediately for cause. The term “for cause” shall mean that the Grantee fails to meet the terms, conditions, and/or responsibilities of the Agreement. In this instance, the termination of the grant agreement shall be effective as of the date indicated on the State’s notification to the Grantee. The notice shall state the effective date of and reason for the termination.
- C. This agreement may be suspended or cancelled without notice, at the option of the Grantee, if the Grantee or the State’s premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Grantee is unable to render service as a result of any action by any governmental entity.

XXIV Governing Law

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.